Resolution No.: 17-884

Introduced:

September 24, 2013

Adopted:

October 1, 2013

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmembers Elrich, Ervin, Council President Navarro, and Councilmembers Berliner, Andrews, Floreen, Leventhal, Riemer and Rice

SUBJECT: Resolution Supporting Maryland Minimum Wage Increase

Background

- 1. Maryland's minimum wage is only \$7.25 per hour, or \$15,000 a year for a full-time, year round worker.
- 2. Maryland's minimum wage currently leaves full-time earners and their families below the federal poverty line.
- 3. Maryland's minimum wage would be over \$10.70 per hour if it had kept up with the rising cost of living over the last 40 years.
- 4. The overwhelming majority of workers subject to the sub-minimum wage for tipped workers are women.
- 5. Nineteen states have raised their minimum wages above Maryland's rate, including Alaska, Arizona, California, Colorado, Connecticut, Florida, Illinois, Maine, Massachusetts, Michigan, Missouri, Montana, New Mexico, Nevada, Ohio, Oregon, Rhode Island, Vermont, and Washington, as well as the District of Columbia.
- 6. Ten states index the minimum wage each year to keep pace with the rising cost of living -a key protection to prevent the minimum wage from eroding again.
- 7. Raising Maryland's minimum wage to \$10.10 per hour, increasing the sub-minimum wage for tipped workers from 50 percent to 70 percent of the full minimum wage, and indexing both wage rates to rise automatically with the cost of living each year would raise pay for more than 472,000 workers in Maryland and generate more than \$466 million in new economic growth. This change would create more than 4,060 new full-time jobs as higher sales lead businesses to hire more employees.
- 8. Wages and salaries now make up the lowest share of national income since 1966, while corporate profits are now the largest share of national income since 1950.

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9. The minimum wage is becoming more important than ever to Maryland's economy because more workers rely on low-wage jobs to make ends meet and job growth since the recession has been disproportionately concentrated in low-wage occupations.

10. The most rigorous academic research shows that raising the minimum wage boosts incomes of low-paid workers without reducing employment, even during periods of high unemployment.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The County Council supports raising and indexing both Maryland's minimum wage and the sub-minimum wage for tipped workers to restore them to their historic value, and calls on the General Assembly to enact and the Governor to sign legislation that accomplishes these goals.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council